Doug Gibbs December 27, 2011 402-471-0051 **LB 426** 

Revision: 01

## FISCAL NOTE

LEGISLATIVE FISCAL ANALYST ESTIMATE

Updated for 2012 Session

	ESTIMATE OF FIS	SCAL IMPACT – STAT	E AGENCIES *		
	FY 201	2-13	FY 2013-14		
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE	
GENERAL FUNDS		(100,000)		(102,000)	
CASH FUNDS					
FEDERAL FUNDS					
OTHER FUNDS					
TOTAL FUNDS		(100,000)		(102,000)	

<sup>\*</sup>Does not include any impact on political subdivisions. See narrative for political subdivision estimates.

LB 426 amends the Sports Arena Facility Financing Assistance Act, Nebraska Revised Statutes Section 13-3108.

Current language provides that any municipality that has received a grant of assistance under the Local Civic, Cultural, and Convention Center Financing Act (now known as the Civic and Community Center Financing Act, see NOTE below) shall not receive state assistance under the Sports Arena Facility Financing Act.

LB 426 amends that language to provide that the municipality may not receive assistance for the same project that received Local Civic, Cultural, and Convention Center Financing Act assistance. This would allow the municipality to receive assistance under the Sports Arena Facility Financing Act even if they have already received assistance for a different project under the Local Civic, Cultural, and Convention Center Financing Act.

The amount of assistance available under the Sports Arena Facility Financing Act is up to 70 percent of: state-sales tax revenue collected by retailers doing business at eligible sports arena facilities, state sales tax collected on primary and secondary box office sales of admissions, and new state sales tax revenue collected by retailers within 600 yards of such facility. Total assistance shall not exceed \$50 million for an eligible sports arena facility.

The Department of Revenue estimates the fiscal impact of LB 426 to be the following:

FY2012-13: (\$100,000) FY2013-14: (\$102,000) FY2014-15: (\$103,000)

The estimate is based on upon those projects which have previously received grants under the Local Civic, Cultural, and Convention Center Financing Act, with one additional small arena project projected to qualify in FY2012-13. The additional sales tax turnback is estimated as above.

Costs to administer are expected to be minimal.

There is no basis to disagree with the Department of Revenue's estimate of fiscal impact or cost.

NOTE: The name of the Local Civic, Cultural, and Convention Center Financing Act was changed to the Civic and Community Center Financing Act by LB 297 in 2011. The name of the Local Civic, Cultural, and Convention Center Financing Fund was also changed to the Civic and Community Center Financing Fund by LB 297.

## RECEIVED

## NOV 29 2011

LB 426 Carryover

LEGISLATIVE FISCAL

**Fiscal Note** 

2012

		State Agency	Estimate			
State Agency Name: Department	of Revenue	· · · · · · · · · · · · · · · · · · ·			Date Due LFA:	12/5/2011
Approved by: Douglas Ewald		Date Prepared:	11/28/2011		Phone: 471-5700	
	FY 2012-2013		FY 2013-2014		FY 2014-2015	
	<u>Expenditures</u>	Revenue	<u>Expenditures</u>	Revenue	Expenditures	Revenue
General Funds		(\$100,000)		(\$102,000)		(\$103,000)
Cash Funds						
Federal Funds						
Other Funds						
Total Funds		(\$100,000)		(\$102,000)		(\$103,000)

LB 426 allows a municipality that has received grant funding under the Local Civic, Cultural, and Convention Center Financing Act to receive sales tax turnback under the Sports Arena Facility Financing Assistance Act so long as the turnback is not for the same project. Under current law, a municipality may not receive assistance under both acts.

LB 426 allows additional municipalities to receive turnback assistance under the Sports Arena Facility Financing Assistance Act. Based upon those projects which have previously received grants under the Local Civic, Cultural, and Convention Center Financing Act, one additional small arena project is projected to qualify in FY 2012-13. The additional turnback is expected to be \$0.100 million, \$0.102 million and \$0.103 million in FY 2012-13 through FY 2014-15, respectively.

Costs to the Department to administer the bill are minimal.

	Majo	or Objects of E	Expenditu	ıre			
Class Code	Classification Title	12-13 FTE	13-14 FTE	14-15 FTE	12-13 Expenditures	13-14 Expenditures	14-15 Expenditures
Benefits							
Operating Costs							
Travel							
Capital Outlay							
Aid							
Capital Improvements							
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